



# SWEATSHOP WATCH™

**Empowering Workers, Informing Consumers**

## Shop with a Conscience this Holiday Season!

A network of anti-sweatshop organizations and sweat-free producers is launching a new strategy—and a new web site—to connect consumers who want to be part of the fight against sweatshops with workers who either own the factories in which they work (worker-owned cooperatives) or have organized themselves into democratic unions.

Sweatshop Watch's Associate Director, Alejandra Domenzain, says "It's exciting to be part of this new network of producers, anti-sweatshop organizations, and consumers. This represents the first fully coordinated approach to ethical consumption in the apparel industry." The network's website [[www.sweatshopwatch.org/sweatfree](http://www.sweatshopwatch.org/sweatfree)], hosted by Sweatshop Watch, will enable consumers to purchase a wide range of sweat-free clothing for gifts this holiday season.

The on-line retailers offer an impressively wide range of clothing. The prices, though higher than Target, are roughly comparable to the GAP. Union Jeans offers a sturdy line of work duds. Justice Clothing offers youthful female fashion with their Wikid Angel line along with a range of other apparel from slacks and dresses to socks and

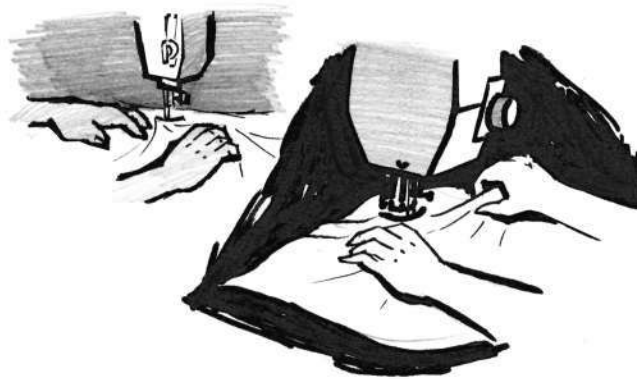
mitten. And of course, there's this year's underground sensation, the No Sweat sneaker, for Converse fans dismayed since Nike bought out their beloved Chuck Ts. Among all the retailers, there's enough selection to outfit the whole family.

"Over time, we will expand our list of participating producers and retailers, and increase the number of organizations that encourage their members to buy clothing from

our list of sweat-free producers," says Trina Tocco, National Coordinator of Musicians Against Sweatshops (MASS). "Over the next decade, we aim to connect thousands of producers to millions of conscientious consumers!"

Ian Robinson, Co-Director of the University of Michigan's Labor and Global Change Program at the Institute of Labor and Industrial Relations, said

that he got involved in this effort when experimental research that he and several Sociology colleagues were conducting in a suburb of Detroit "suggested that many US consumers of average means are willing to pay more for clothing made under good working conditions. The trick is to find ways to connect these 'conscientious consumers'



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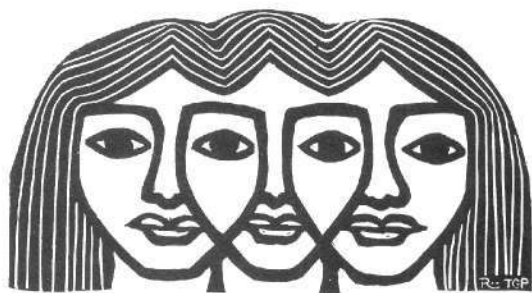
Express Yourself

## Staff Updates

Sweatshop Watch bids farewell to Operations Manager **Deirdre O'Boyle**. She not only kept the organization running smoothly, but also brought creativity and compassion that we will miss. We wish her all the best in graduate school.

The Garment Worker Center welcomes **Delia Herrera** as the new Case Manager. Delia previously worked with the Los Angeles Commission on Violence Against Women.

The staff of Sweatshop Watch/Garment Worker Center unionized this year with the **International Federation of Professional and Technical Engineers, Local 70**. A collective bargaining agreement was ratified in November.



## SW info

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**Sweatshop Watch's** newsletter is published quarterly. Membership dues, which include a subscription, are \$20.

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Commentaries, articles, and letters are welcome and should be accompanied with your name, address, and telephone or email.

## Countdown to 2005

On December 31, 2004, all textile and apparel quotas governed by the Multi-Fibre Arrangement (MFA) are scheduled to be eliminated for the 148 countries of the World Trade Organization, bringing near-complete free trade of textiles and apparel. Workers and advocates believe the MFA phase-out will continue to change the structure of the global apparel industry. While there is no consensus on the real impact, many experts predict that China (and India) will gain a larger share of apparel production, the U.S. will lose more textile and apparel jobs, and the apparel industries of smaller developing countries, such as Bangladesh, Sri Lanka and Indonesia, may be decimated.

Garment workers in every country must address their unique local needs. However, new global strategies and alliances are required to tackle the imminent changes in the apparel industry due to free trade. Sweatshop Watch has written a working paper on the MFA phase-out and maintains an online information clearinghouse, which we hope will spark more dialogue about the strategies needed to continue promoting workers' rights in the global economy.

Sweatshop Watch's working paper and the following recent resources are available at [www.sweatshopwatch.org/global](http://www.sweatshopwatch.org/global).

- **Richard P. Appelbaum**, *Assessing the Impact of the Phasing-out of the Agreement on Textiles and Clothing on Apparel Exports on the Least Developed and Developing Countries*, May 10, 2004
- **Southwind Institute**, *Global Game for Cuffs and Collars*, August 2004
- **Oxfam**, *Stitched Up: How rich-country protectionism in textiles and clothing trade prevents poverty alleviation*, Briefing paper #60, May 6, 2004
- **World Trade Organization**, *The Global Textile and Clothing Industry Post the Agreement on Textiles and Clothing*, August 2004
- **Interfaith Center on Corporate Responsibility**, *Help Increase Company Disclosure on Its Response to the Quota Phase-out of Apparel Products that Will Impact Millions of Garment Workers Worldwide* (Information & Action Alert)

## Victory for Pung Kook Workers!

Maquiladora workers in Baja California Sur recently wrestled a historic victory from Korean-based Pung Kook. The transnational corporation agreed to a favorable settlement with the workers after an intense campaign waged by their independent union (Sindicato Independiente de Trabajadores y Trabajadoras de la Industria Maquiladora, or SINTTIM), and supported by Enlace, a membership organization comprised of worker centers (including the Garment Worker Center), immigrant unions and organizing groups in North America.

Working for less than the Mexican minimum wage, Pung Kook workers labored under sweatshop conditions making luggage and backpacks for Adidas, Land's End and Patagonia. They were working to form an independent union in Baja California Sur, SINTTIM.

In March of 2003, after firing SINTTIM President Raquel Espinoza for organizing, Pung Kook shut down its factory in Mexico without properly compensating the workers. The corporation then moved all of its business operations to Asia, beyond the reach of Mexican law and NAFTA. Under Mexican labor law, the workers were entitled to three months pay plus 32 days pay for each year of service. Pung Kook, like virtually all its counterparts in Mexico, paid only a fraction of that. SINTTIM asked Enlace to coordinate a campaign to force Pung Kook to pay the balance of monies owed to the workers.

Enlace and SINTTIM created a synchronized action campaign plan to gain justice for the Pung Kook workers. Since the corporation no longer had a foothold in North America, it was decided to pressure one of Pung Kook's North American customers to induce them to help force the transnational corporation to pay the workers.

With the help of Portland Jobs with Justice and the Cross Border Organizing Labor Coalition, Enlace organized support to confront Adidas America at its headquarters in Portland, Oregon. Adidas contacted Enlace and expressed an interest in avoiding this confrontation. Enlace knew, through member organization Koreatown Immigrant Workers Advocates (KIWA), that Pung Kook still

manufactured items for Adidas at its Singapore plant. After a series of discussions, Adidas agreed to bring pressure on Pung Kook to pay SINTTIM's members what they were owed.

In September of 2003, Enlace organized a meeting in Mexico City between Gilberto Piñeda Bañuelos of SINTTIM, internationally renowned Mexican labor lawyer Arturo Alcalde, Enlace staff, and representatives of Adidas Mexico and Adidas America. Adidas committed to pressure Pung Kook to compensate the workers properly.

But pressure from Adidas wasn't enough to compel Pung Kook to do the right thing.

Enlace sought support of members and allies in Canada, Mexico and the United States to pressure Pung Kook and the state government that allowed the company to shortchange the workers. Hundreds of members and allies responded to this call for support by sending faxes and e-mails.

Finally, on June 17, 2004 Enlace organized a

synchronized action that included a delegation to the South Korean consulate in Los Angeles, in which the Garment Worker Center and Sweatshop Watch participated; a demonstration in front of the South Korean embassy in Mexico City; as well as two public actions in Seoul, South Korea. At the same time, the workers organized a delegation to pressure the governor of Baja California Sur. These actions resulted in extensive press coverage in Korea and in the Korean-American and Latino media in Southern California, organized by KIWA. The Korean consulate in Los Angeles committed to request the government of Korea to open an investigation into Pung Kook's practices. All these actions took place as negotiations continued.

The synchronized actions worked. On August 20, 2004, Pung Kook agreed to a settlement. This agreement brings the total compensation for the workers



Allies in Los Angeles protest in front of the Korean consulate to bring justice to the ex-workers of Pung Kook, June 2004. Photo by Enlace.

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# U.S. Report Shows NAFTA Fails Worker Rights Test

In a surprisingly critical report, the U.S. government agency with the responsibility to enforce the labor provisions of the North America Free Trade Agreement (NAFTA) has confirmed what worker rights advocates have long argued: that Mexican authorities regularly deny the establishment of democratic, independent trade unions.

The report also represents an indictment of the labor provisions themselves, acknowledging that nearly 11 years after NAFTA began, the prospects for independent unions in Mexico, especially in the maquiladora sector, are grim.

In its Executive Summary, the U.S. Department of Labor's National Administrative Office (NAO) concluded that, "The continuing difficulty for independent unions to gain registration rights, especially within the maquiladora sector, is supported by credible testimony of non-governmental organizations and legal experts within Mexico.... if [the Government of Mexico] has taken action to address the matter, the results are not immediately evident."

The NAO review supported the petitioners' argument that applications for union registration were denied on technical grounds, stating that, "...the U.S. NAO cannot ignore the similarities in this case and previous submissions before it regarding denial of union registration on what seem to be hyper-technical grounds. The same similarities also appear in recent and ongoing cases in Mexico as noted by submitters." It firmly endorsed the ILO view that "administrative formalities should not be used to delay or prevent union formation."

## CAFTA Implications

NAFTA's labor provisions, formally known as the North American Agreement on Labor Cooperation (NAALC), provide the basic model for the labor provisions included in the proposed Central American Free Trade Agreement and in the proposed Andean trade agreements with Colombia and Ecuador.

The government report was issued on September 22, 2004 in response to a complaint filed last year with the U.S. NAO by the Mexican-based Puebla Worker Center (CAT), the Maquila Solidarity Network in Canada, and the U.S.-based United Students Against Sweatshops (USAS) documenting the failure of the

Mexican government to enforce its labor laws, focusing on the obstacles that workers faced in attempting to form independent unions at the Tarrant-Ajalpan and Matamoros Garment apparel factories. A similar complaint was filed with the Canadian NAO.

The Tarrant plant closed in February 2004 and the Matamoros Garment factory closed in March 2003, both closings coming after worker organizing campaigns that were confronted by a combination of employer resistance and government collusion, including the rejection on "technical" grounds of union petitions for legal registration (e.g.

the local labor board in Puebla cited the failure to provide a second copy and one misspelled name when it rejected the Tarrant union's request for legal recognition in October 2003).

While the NAO, following the process established by NAFTA, has recommended "ministerial consultations" with the Mexican government, any such consultations will come far too late for

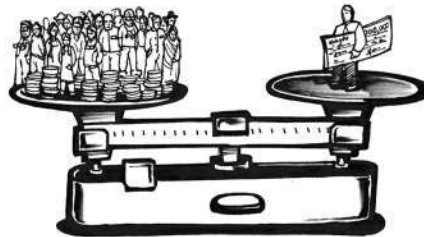
the workers who sought to form independent unions at the Tarrant-Ajalpan and Matamoros Garment factories.

Whether ministerial consultations will produce changes that would in the future protect the right of independent unions to receive legal recognition from Mexican government officials will depend largely on the degree to which political pressure from worker rights advocates is brought to bear on the Mexican government, directly and through the U.S. government.

To date, that pressure appears inadequate: the report states that the U.S. NAO has not received basic information about the cases that it requested from the Mexican government during the course of the U.S. investigation this year. In the report, the U.S. NAO expressed publicly its general unhappiness with the lack of cooperation from its Mexican counterpart, stating that, "Regrettably, the Mexican NAO declined the request of the U.S. NAO to arrange meetings with the various authorities in Mexico responsible for enforcement of the relevant labor laws and limited contact to responding in writing to written questions submitted by the U.S. NAO."

The report is available on the website of the U.S. Department of Labor at [www.labor.gov/ILAB/programs/nao/main.htm](http://www.labor.gov/ILAB/programs/nao/main.htm) (Report on Review of U.S. NAO Submission No. 2003-01).

*Contributed by US/LEAP, [www.usleap.org](http://www.usleap.org)*



## Campaign Updates

### · Ben Davis Workers Still Fighting for Fair Union Contract, Action Needed

San Francisco garment workers who sew the work wear label 'Ben Davis' continue their battle for a fair union contract. After the workers' demonstration in April, the company began cutting health benefits for workers who refused to pay 20% of the costs. In July, workers walked off the job for a second time to demonstrate at City Hall, where the Board of Supervisors passed a resolution calling on Ben Davis to restore and maintain health care benefits and paid time off to the workers, and to negotiate a fair contract with their union, UNITE HERE. At press time, the negotiations are still at an impasse, and letters of support are urgently needed for the workers. For more information and a sample letter, visit [www.sweatshopwatch.org](http://www.sweatshopwatch.org).

### · Gildan Cuts & Runs, Action Needed

In September, Canadian t-shirt manufacturer Gildan Activewear closed its El Progreso factory in Honduras, leaving 1,800 workers unemployed. Back in July, Gildan made the surprise announcement that it was closing the factory in the midst of discussions with the Fair Labor Association and the Worker Rights Consortium on corrective action to address serious worker rights violations substantiated in two independent investigations. The Maquila Solidarity Network is coordinating an international campaign to ensure the workers' rights are respected, and calling on Gildan to 1. Offer El Progreso workers first-hire job opportunities at other Gildan factories in Honduras and protection against blacklisting at other factories in the free trade zone; 2. Provide full back pay to all unjustly fired union supporters from the date of their firings to the date of the factory closure; 3. Fully compensate all workers who did not receive legal overtime pay and/or vacation pay. Write a letter of protest today! For up-to-date information, visit [www.maquilasolidarity.org](http://www.maquilasolidarity.org).

### · Wins Sweatshop Owners Finally Face Criminal Prosecution

In October, the U.S. Department of Justice indicted the owners of San Francisco's notorious 'Wins' sweatshops for an alleged \$6.7 million bankruptcy fraud scheme. The news was vindication for the workers and advocates who had been pushing various government agencies to criminally prosecute the factory owners. A ruling has not yet been determined in the \$3 million lawsuit filed against the factory owners by the California Labor Commissioner and joined by two workers and the Chinese Progressive Asso-

ciation. For background, visit [www.sweatshopwatch.org/wins](http://www.sweatshopwatch.org/wins).

### · Sara Lee Agrees to Neutrality After Over 4 Years of Struggle

In response to a four year joint campaign by Enlace-SEDEPAC, Sara Lee, one of the global leaders of the corporate movement for "a union free environment," has agreed to employer neutrality, freedom of association and freedom from harassment for the workers organizing their own independent union in Coahuila, Mexico. The policy shift by Sara Lee is believed to be the first labor neutrality commitment by a transnational corporation operating maquiladora factories in Mexico. For more information, visit Enlace's web site at [www.communitiesunitedforpeople.org](http://www.communitiesunitedforpeople.org).



**Pung Kook continued from page 3...**

to between 4 and 22 months pay based on seniority; most of the workers get over 50 weeks of pay. Pung Kook also agreed to pay union president Raquel Espinoza U.S.\$10,000 for firing her and to give her the company's 40-passenger bus which will be used by the union. Pung Kook temporarily returned to Mexico to set up a bank account so that the workers can be properly compensated.

Arturo Alcalde enthusiastically called the agreement a historical first.

The Pung Kook campaign success demonstrates that corporations can be held accountable for their behavior in regard to workers and their communities no matter where in the world they may shift production.

*Contributed by Enlace,*  
[www.communitiesunitedforpeople.org](http://www.communitiesunitedforpeople.org)

## Garment Worker Advocates Worldwide Convene to Share Priorities

On September 23-25, 2004, forty-five people from 20 countries participated in a gathering of garment worker advocates in Meissen, Germany. Participants included representatives from NGOs and trade unions both in countries where garments are produced and from those countries where those garments are sold. Key issues discussed included the legal issues surrounding the informalization of the garment industry; the difficulty of organizing workers in the informal economy; and current trends affecting the garment industry, such as the ending of the global quota system for garments. Participants brainstormed to develop campaigning priorities and strategies in relation to raising these issues with consumers, governments and companies.

The purpose of the gathering was to share information on the current challenges facing workers in the garment sector's informal economy, as well as organizing, campaigning and other initiatives involving or in support of these workers. One of the most important aims was to formulate specific goals and strategies for labor rights campaigns seeking to support workers in the garment sector's informal economy. Sweatshop Watch represented the perspective of U.S. based workers' rights organizations seeking to support international efforts.

### Garment production in the informal sector

Garment and sportswear production is being reorganized to be increasingly flexible and decentralized, through diverse forms of subcontracting. Subcontractors meanwhile are increasingly operating in the informal economy: meaning production involves workplaces and workers who have been marginalized, de-linked, or excluded from the mainstream economy and society and legal frameworks. Garment workers in the informal economy are often: women, migrants, not legally

recognized as workers, unprotected, barred from organizing, working in conditions that fall far below internationally-recognized standards in workplaces that are not legally recognized as such. To say that they face an array of challenges when seeking to improve their working conditions is an understatement.

Because of the important (and growing) role of the informal economy in garment and sportswear production and the particularly vulnerable position of these workers within supply networks, an increasing number of labor rights groups focusing on these industries aim to more actively take up these issues, including solidarity activist

networks such as the European-based Clean Clothes Campaign (CCC). While there has been recognition of the key role that the informal economy plays in the garment and sportswear sectors, campaigning organizations such as the CCC acknowledge that there has not been sufficient strategizing about how international solidarity action can best be used as a tool to support workers' attempts to address labor



International advocates discuss the challenges of the informal economy, September 2004. Photo by Clean Clothes Campaign.

rights violations in the informal economy.

The gathering aimed to bring together labor rights activists who focus on the garment industry with those doing research and organizing in the industry's informal economy. By acting as a space for the sharing of information and experiences specifically on the garment industry, the CCC hoped that those with more insight into the reality and needs of informal economy workers would better inform those, such as the CCC's, who are seeking to formulate strategies for solidarity campaigns to support these workers' struggles. This seminar provided a unique opportunity to invigorate the dialogue among these organizations on informal garment economy issues and move closer toward developing a joint agenda for action.

*Contributed by the Clean Clothes Campaign, [www.cleanclothes.org](http://www.cleanclothes.org)*



## Express Yourself

Send submissions to [sweatinfo@sweatshopwatch.org](mailto:sweatinfo@sweatshopwatch.org).

### Gong Jang\*

the buzzing vibration of the refrigerator  
keeps me awake  
the sound all too familiar  
i begin to think of my mother's swollen feet  
my father calls elephant feet  
i recall an empty apartment  
with an empty refrigerator  
but always a full heart  
i see my mother  
who worked seventeen hours a day  
a seamstress in a factory  
a janitor at a nearby elementary school  
for twenty years  
my mother  
sewed her life away  
on days I could not bear  
to part with you  
i followed you to work  
i didn't know what was worse  
missing you  
or watching you sweat  
they didn't call theses gong jangs  
sweat shops for nothing  
twice from exhaustion  
your fingers slipped  
the needle on the sewing machine  
pierced through your finger  
my heart  
till this day  
the pain lingers  
i remember when  
you'd bring home work  
we'd turn five hundred, a thousand, or so  
pockets inside out  
and I was so proud  
doing my part  
until  
one day i asked how many  
it'd take to make a dollar  
even at age six  
i hurt to know  
you worked so hard  
for so little

-jin kyoung jun

\* *Factory in Korean*

Sweatfree continued from page 1...

with manufacturing employers willing to pay and treat their workers well. Right now, the market isn't making these connections well. This network is trying to 'correct' this market failure." (For details of this research, go to: [www.ilir.umich.edu/publications/LSJ%20Article%20\(Oct%2004\).pdf](http://www.ilir.umich.edu/publications/LSJ%20Article%20(Oct%2004).pdf))

The network's strategy for meeting this goal focuses on workplaces that have democratic unions or worker-owned cooperatives. Bjorn Claeson, Coordinator of SweatFree Communities, another network member, explains the reasons for this focus: "Organized workers play a vital part in the movement for better wages and decent working conditions. Being organized they have a more effective collective voice and a better chance to shape workplace policies. They have the capacity to monitor conditions for potential abuses and communicate with allies and consumers so we can help correct the abuses. Organized workers can also support other workers in other factories who are fighting against sweatshop abuses. In short, when we purchase products made in unionized workplaces or worker-owned coops, we do not just buy sweatfree; we strengthen a movement that will create even more sweatfree options for all of us."



### No Sweat Holiday Gift Coupon!

Have a very sweatfree holiday? No Sweat. And it's even easier with the coupon code below. *No Sweat Apparel*, the pioneer fair trade fashion brand, has something special for everyone on your gift list. Use this coupon code when you purchase online at [NoSweatShop.com](http://NoSweatShop.com) and get **\$5 off on all purchases of \$25 or more**. Make this a season of solidarity. Coupon code: SW-HOLIDAY-2004 (redeemable at [www.NoSweatShop.com](http://www.NoSweatShop.com)—just order like normal then enter code at check out. Good through 1/1/05.)

## How to Give to Sweatshop Watch

Every gift to Sweatshop Watch goes a long way in protecting the rights of garment workers.

- Write a check and send it to our Oakland office.
- Make a donation with your credit card by visiting our web site [www.sweatshopwatch.org](http://www.sweatshopwatch.org).
- Ask your employer to match your gift.
- Give your time as a volunteer.
- Make a gift of goods or services.
- Designate Sweatshop Watch in a planned gift (will or trust).
- If you are a Working Assets customer, vote for Sweatshop Watch on your donation ballot at the end of the year, or go to [www.workingassets.com/vote](http://www.workingassets.com/vote).

Sweatshop Watch is a nonprofit public charity, registered under IRS Code 501(c)3. Contributions are tax-deductible to the extent allowed by law.

**[www.sweatshopwatch.org](http://www.sweatshopwatch.org)**



**SWEATSHOP WATCH™**

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*Address Service Requested*

## Join Sweatshop Watch!

Founded in 1995, Sweatshop Watch is a coalition of over 30 organizations, and many individuals, committed to eliminating the exploitation that occurs in sweatshops. Sweatshop Watch serves low-wage workers nationally and globally, with a focus on garment workers in California. We believe that workers should earn a living wage in a safe, decent work environment, and that those responsible for the exploitation of sweatshop workers must be held accountable. Please join us by becoming a member. Either send in this form with a check or make a contribution from our website [www.sweatshopwatch.org](http://www.sweatshopwatch.org) with your credit card.

Total Enclosed: ☐ \$20 ☐ \$50 ☐ \$100 ☐ \$250 ☐ \$500 ☐ Other \$\_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Make checks payable and send to: SWEATSHOP WATCH, 310 Eighth St., Suite 303, Oakland CA 94607